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STATE OF NEW JERSEY

CASINO CONTROL COMMISSION

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PUBLIC MEETING NO. 12-02-15

- - - - -

Wednesday, February 15, 2012

Atlantic City Commission Offices

Joseph P. Lordi Public Meeting Room - First Floor

Tennessee Avenue and Boardwalk

Atlantic City, New Jersey 08401

10:35 a.m. to 12:05 p.m.

Certified Court Reporter: Darlene Sillitoe

- - - - -

GUY J. RENZI & ASSOCIATES

GOLDEN CREST CORPORATE CENTER

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TRENTON, NEW JERSEY 08690

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1 B E F O R E :

2 CASINO CONTROL COMMISSION:

LINDA M. KASSEKERT, CHAIR

3 SHARON ANNE HARRINGTON, VICE CHAIR

EDWARD J. FANELLE, COMMISSIONER

4

5 PRESENT FOR THE CASINO CONTROL COMMISSION:

DARYL W. NANCE, ADMINISTRATIVE ANALYST

6 DANIEL J. HENEGHAN, PUBLIC INFORMATION OFFICER

7 OFFICE OF THE GENERAL COUNSEL:

DIANNA W. FAUNTLEROY, GENERAL COUNSEL/EXECUTIVE

8 SECRETARY

MARY WOZNIAK, ASSISTANT GENERAL COUNSEL

9 SANDRA DeLIA, LEGAL SUPPORT SPECIALIST

DAVID LUBIN, PROGRAM SPECIALIST

10

DIVISION OF GAMING ENFORCEMENT:

11 DEPUTY ATTORNEYS GENERAL

BRIAN C. BISCIEGLIA, DEPUTY ATTORNEY GENERAL

12 TRACY E. RICHARDSON, DEPUTY ATTORNEY GENERAL

JAMES C. FOGARTY, DEPUTY ATTORNEY GENERAL

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1 A P P E A R A N C E S :

2 ITEM NO. 2a DARYL W. NANCE, ADMINISTRATIVE ANALYST
3 c,d,e JAMES C. FOGARTY, DEPUTY ATTORNEY GENERAL
4 STERNS & WEINROTH, PC
5 PAUL M. O'GARA, ESQ.
6 FOR: TILMAN J. FERTITTA, RICHARD H. LIEM,
7 THOMAS M. POHLMAN, STEVEN L. SCHEINTHAL

8 ITEM NO. 2f DARYL W. NANCE, ADMINISTRATIVE ANALYST
9 TRACY E. RICHARDSON, DEPUTY ATTORNEY
10 GENERAL
11 KAREN M. WOSNACK, ESQ.
12 FOR: GREGORY SHERBON

13 ITEM NO. 3 DARYL W. NANCE, ADMINISTRATIVE ANALYST
14 JAMES C. FOGARTY, DEPUTY ATTORNEY GENERAL
15 MARY HELEN MEDINA, ESQ.
16 FOR: REVEL ENTERTAINMENT, INC.

17 ITEM NO. 5 DARYL W. NANCE, ADMINISTRATIVE ANALYST
18 TRACY E. RICHARDSON, DEPUTY ATTORNEY
19 GENERAL
20 KAREN M. WOSNACK, ESQ.
21 FOR: RIH ACQUISITION NJ, LLC

22 ITEM NO. 7 SANDRA DeLIA, LEGAL SUPPORT SPECIALIST
23 TRACY E. RICHARDSON, DEPUTY ATTORNEY
24 GENERAL
25 STERNS & WEINROTH, PC
26 DENNIS DALY, ESQ.
27 FOR: CAESARS ENTERTAINMENT CORPORATION

28 ITEM NO. 8 SANDRA DeLIA, LEGAL SUPPORT SPECIALIST
29 TRACY E. RICHARDSON, DEPUTY ATTORNEY
30 GENERAL
31 STERNS & WEINROTH, PC
32 DENNIS DALY, ESQ.
33 WILLIAM MURTHA, ESQ.
34 FOR: TROPICANA ENTERTAINMENT,
35 INCORPORATED

36 ITEM NO. 9 SANDRA DeLIA, LEGAL SUPPORT SPECIALIST
37 JAMES C. FOGARTY, DEPUTY ATTORNEY GENERAL
38 STERNS & WEINROTH, PC
39 PAUL M. O'GARA, ESQ.
40 FOR: GOLDEN NUGGET ATLANTIC CITY, LLC

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Continued

ITEM NO. 10 SANDRA DeLIA, LEGAL SUPPORT SPECIALIST
JAMES C. FOGARTY, DEPUTY ATTORNEY GENERAL
STERNS & WEINROTH, PC
PAUL M. O'GARA, ESQ.
FOR: GOLDEN NUGGET ATLANTIC CITY, LLC

ITEM NO. 11 SANDRA DeLIA, LEGAL SUPPORT SPECIALIST
JAMES C. FOGARTY, DEPUTY ATTORNEY GENERAL
STERNS & WEINROTH, PC
PAUL M. O'GARA, ESQ.
FOR: LANDRY'S, INC.

ITEM NO. 15 SANDRA DeLIA, LEGAL SUPPORT SPECIALIST
TRACY E. RICHARDSON, DEPUTY ATTORNEY
GENERAL
STERNS & WEINROTH, PC
DENNIS DALY, ESQ.
WILLIAM MURTHA, ESQ.
FOR: TROPICANA ENTERTAINMENT,
INCORPORATED

ITEM NO. 16 SANDRA DeLIA, LEGAL SUPPORT SPECIALIST
TRACY E. RICHARDSON, DEPUTY ATTORNEY
GENERAL
STERNS & WEINROTH, PC
DENNIS DALY, ESQ.
FOR: CAESARS ENTERTAINMENT CORPORATION

AGENDA			
PUBLIC MEETING NO. 12-02-15			
FEBRUARY 15, 2012, 10:35 a.m.			
ITEM		PAGE	VOTE
1	1 Ratification of the minutes of the	11	11
	January 18, 2012, public meeting		
2	2 Applications for casino key employee		
	licenses and/or for qualifications:		
3	I Initial casino key employee license		
	applications:		
4	a) Michael J. Kerley	11	12
5	II Resubmitted casino key employees	12	13
6	license applications:		
7	a) Diane J. Alexander		
8	b) Rachel K. Bogatin		
9	c) Dora A. Brooks		
10	d) Deborah J. Brown		
11	e) Antonette Cafone		
12	f) Deborah Collins		
13	g) Bothaina Z. Deighan		
14	h) Donna M. Farruggio		
15	i) Judy Fisher		
16	j) Michael J. Flemming		
17	k) Rita M. Gallagher		
18	l) Jordan J. Gimbel		
19	m) Nadine Graca		
20	n) Carlito Guzman		
21	o) Dennis M. Hardiman		
22	p) Regina N. Jabier-McHugh		
23	q) Nancy G. Jones		
24	r) Charles E. Laird		
25	s) Liana M. Lalli		
	t) Carolyn M. Lomonaco		
	u) Edward J. Meserole		
	v) Daniel M. Morelli		
	w) Nancy Nolan		
	x) Sung H. Park		
	y) Angelo J. Patitucci, Jr.		
	z) Ronald A. Perone		
	aa) Diane R. Petrone		
	bb) John A. Ranere, Jr.		
	cc) Randy J. Restle		
	dd) Kathleen M. Roberts		
	ee) Christopher J. Shea		
	ff) Jules Vorndran		
	III Applications for casino key employee		
	licenses and for qualifications:		
	a) Tilman J. Fertitta	15	16
	b) Christopher J. Ford	16	18

1	CONTINUED	AGENDA		
		PUBLIC MEETING NO. 12-02-15		
2		FEBRUARY 15, 2012, 10:35 a.m.		
	ITEM		PAGE	VOTE
3	III c) Richard H. Liem		18	20
	d) Thomas M. Pohlman		20	21
4	e) Steven L. Scheinthal		22	23
	f) Gregory Sherbon		23	24
5	3 Petitions of Revel Entertainment, Inc.		25	28
	(d/b/a Revel Casino) for the issuance of			
6	temporary casino key employee licenses to			
	the following individuals pursuant to NJSA			
7	5:12-89(e) (PRNs 0231201, 0251201, 0371201,			
	0371202, 0371203):			
8	a) Guy Abbat (0231201)			
	b) Joshua A. Carley (0231201)			
9	c) Anthony V. DiSalvatore (0231201)			
	d) John C. Filippe (0231201)			
10	e) James M. Knights (0231201)			
	f) Babu Kuttala (0231201)			
11	g) William J. Perry (0231201)			
	h) Joseph F. Sweeney (0231201)			
12	i) William A. Tripet, II (0231201)			
	j) Delora J. LoDuca (0251201)			
13	k) Richard Lutrell (0251201)			
	l) Manuela S. Zingarelli (0251201)			
14	m) Brian Kernan (0371201)			
	n) Joseph A. Zulli (0371201)			
15	o) Wilmer M. Yingling (0371201)			
	p) Shane L. Siragusa (0371201)			
16	4 Petition of Marina District Development		28	29
	Company, LLC, (d/b/a Borgata Hotel			
17	Casino and Spa) for the issuance of a			
	temporary casino key employee license to			
18	Sebastiana B. Arroyo pursuant to NJSA			
	5:12-89(e) (PRN 0331201)			
19	5 Petition or RIH Acquisition NJ, LLC		29	30
	(d/b/a Atlantic Club Casino Hotel) for			
20	the issuance of a temporary casino key			
	employee license to Holly A. Campano			
21	pursuant to NJSA 5:12-89(e) and to permit			
	her pursuant to NJAC 13:9 c-2.6 to assume			
22	the duties and exercise the powers of			
	Vice President of Marketing without having			
23	been found qualified (PRN 0381203)			
	6 Stipulation of settlement in the		31	33
24	Application of Panzie S. Fantauzzi (a/k/a			
	Panzie Shazann and Panzie Hayes) for a			
25	casino key employee license (DK 11-0011-CK)			

1	CONTINUED	AGENDA		
		PUBLIC MEETING NO. 12-02-15		
2		FEBRUARY 15, 2012, 10:35 a.m.		
	ITEM		PAGE	VOTE
3	7	Petition of Caesars Entertainment Corporation requesting permission for Mark A. Clayton to perform the duties and exercise the powers of the member of the Compliance Committee of Caesars Entertainment Corporation pending plenary qualification (PRN 0111203)	33	36
4				
5				
6	8	Petition of Tropicana Entertainment, Incorporated, and Tropicana Atlantic City Corp requesting permission for Patricia W. Becker to perform the duties and exercise the powers of Chair of the Compliance Committee of Tropicana Entertainment Incorporated pending plenary qualification (PRN 0271204)	38	42
7				
8				
9				
10	9	Consideration of the qualification of Kenneth W. Brimmer to serve as a Member of the Board of Directors and Audit Committee of Golden Nugget Atlantic City, LLC	42	45
11				
12	10	Consideration of the qualification of Michael Chadwick to serve as a Member of the Board of Directors of Golden Nugget Atlantic City, LLC	45	47
13				
14	11	Consideration of the qualifications of Lori Kittle to serve as Senior Vice President and Chief Information Officer of Landry's, Inc., (f/k/a Landry's Restaurants, Inc.)	47	49
15				
16	12	Petition of Thomas S. Moore requesting a waiver of post employment restrictions pursuant to NJSA 5:12-60b(2) (PE-05) (PRN 0381201)	49	51
17				
18	13	Petition of Anthony Lisi requesting a waiver of post employment restrictions pursuant to NJSA 5:12-60b(2) (PE-06) (PRN 0381202)	51	52
19				
20	14	Application of Golden Nugget Atlantic City, LLC, for plenary casino licensure	53	90
21		Richard H. Liem, sworn	61	
22	15	Petition of Tropicana Entertainment Incorporated and Tropicana Atlantic City Corp., requesting permission for Donald P. Perkins to perform the duties and exercise the powers of Director of Corporate Compliance for Tropicana Entertainment Incorporated pending plenary qualification (PRN 0371201)	40	42
23				
24				
25				

1	CONTINUED	AGENDA		
		PUBLIC MEETING NO. 12-02-15		
2		FEBRUARY 15, 2012, 10:35 a.m.		
	ITEM		PAGE	VOTE
3	16	Petition of Caesars Entertainment Corporation requesting permission for Ronald A. Terry to perform the duties and exercise the powers of Chairman of the Corporate Compliance Committee for Caesars Entertainment Corporation pending plenary qualification (PRN 0381203)	36	38
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1 (Public Meeting 12-02-15 was commenced
2 at 10:35 a.m.)

3 MR. NANCE: Good morning. I'd like to
4 read an opening statement:

5 This is to advise the general public
6 that in compliance with Chapter 231 of the
7 public laws of 1975 entitled "Senator Bryon M.
8 Baer "Open Public Meeting Act," the Casino
9 Control Commission on April 19, 2011, filed
10 with the Secretary of State at the State House
11 in Trenton an annual meeting schedule. On
12 April 20th, copies were mailed to subscribers.

13 Members of the press will be permitted
14 to take photographs. We ask that this be done
15 in a manner which is not disruptive or
16 distracting to the Commission.

17 The use of cell phones a the public
18 meeting room is prohibited.

19 Any member of the public who wish to
20 address the Commission will be given the
21 opportunity to do so before the Commission
22 adjourns for the day.

23 Please stand for the Pledge of
24 Allegiance.

25 (The flag salute was recited.)

ITEM NO. 1-2

1 CHAIR KASSEKERT: Good morning.

2 MR. NANCE: Good morning.

3 The matters discussed in closed session
4 were: Employee license matters.

5 The Commissioners approved the January
6 8th, 2012, closed-session minutes.

7 I would note for the record that the
8 agenda should reflect January 18th, 2012, in
9 Item 1.

10 Item No. 1, ratification of the minutes
11 of January 18th, 2012, public meeting.

12 VICE CHAIR HARRINGTON: Move that we
13 adopt the minutes.

14 COMMISSIONER FANELLE: Second.

15 CHAIR KASSEKERT: The motion has been
16 made and seconded. All in favor?

17 (Ayes.)

18 CHAIR KASSEKERT: Opposed?

19 (No response.)

20 CHAIR KASSEKERT: The motion carries.

21 MR. NANCE: Item No. 2, application for
22 casino key employee licenses and for
23 qualifications. This agenda item will be
24 entered as Exhibit List 1, 2, and 3.

Exhibit List 1 consists of the following

ITEM NO. 2

1 applications for the initial casino key
2 employee license for Michael J. Kerley.

3 Staff and the Division have recommended
4 that this license be granted.

5 VICE CHAIR HARRINGTON: I move that we
6 grant the application for initial casino key
7 employee license for Michael J. Kerley.

8 COMMISSIONER FANELLE: Second.

9 CHAIR KASSEKERT: The motion has been
10 made and seconded. All in favor?

11 (Ayes.)

12 CHAIR KASSEKERT: Opposed?

13 (No response.)

14 CHAIR KASSEKERT: The motion carries.

15 MR. NANCE: Item No. 2 -- excuse me.

16 Exhibit List 2 consists of the following
17 32 resubmitted casino key employee license for:
18 Diane J. Alexander, Rachel K. Bogatin, Dora A.
19 Brooks, Deborah J. Brown, Antonette Cafone,
20 Deborah Collins, Bothaina Z. Deighan, Donna M.
21 Farruggio, Judy Fisher, Michael J. Flemming,
22 Rita M. Gallagher, Jordan J. Gimbel, Nadine
23 Graca, Carlito Guzman, Dennis M. Hardiman,
24 Regina N. Jabier-McHugh, Nancy G. Jones,

ITEM NO. 2

1 Lomonaco, Edward J. Messerole, Daniel M.
2 Morelli, Nancy Nolan, Sung H. Park, Angelo J.
3 Patitucci, Jr., Ronald A. Perone, Diane R.
4 Petrone, John A. Ranere, Jr., Randy J. Restle,
5 Kathleen M. Roberts, Christopher J. Shea, and
6 Jules Vorndran.

7 Staff and the Division have recommended
8 that these licenses be granted.

9 VICE CHAIR HARRINGTON: I move that we
10 grant the 32 resubmitted casino key employee
11 licenses.

12 COMMISSIONER FANELLE: Second.

13 CHAIR KASSEKERT: The motion has been
14 made and seconded. All in favor?

15 (Ayes.)

16 CHAIR KASSEKERT: Opposed?

17 (No response.)

18 CHAIR KASSEKERT: The motion carries.

19 MR. NANCE: Exhibit List 3 consists of
20 the follow six initial or resubmitted
21 applications for casino key employee licenses
22 and for qualification.

23 Staff and the Division have recommended
24 that these applications be granted: Tilman J.

ITEM NO. 2

1 Nugget Atlantic City, LLC, and Chairman, Chief
2 Executive Officer, and sole shareholder of
3 Landry's, Inc.

4 CHAIR KASSEKERT: Mr. Fogarty, good
5 morning.

6 MR. FOGARTY: Yes. Good morning.

7 I rise with specific regards to two
8 items that are listed, Mr. Liem under your 3c
9 and Steven Scheinthal under 3e.

10 Mr. -- with regard to Mr. Liem, I just
11 want to please verbally amend the report that
12 we sent in on his qualifications and on his
13 licensure to reflect the fact that he was
14 issued his CPA license by the Texas State Board
15 of Public Accountancy and renewed October '11,
16 and it's good until October '12. Our report
17 might have suggested otherwise. And I know if
18 someone did that to my law license, I'd want
19 that corrected also. So there we go.

20 The second matter, if you please, is
21 with regard to Mr. Scheinthal. Our letter has
22 attached to it a certain stipulation.

23 CHAIR KASSEKERT: You know, Mr. Fogarty,
24 why don't we wait because we need to take

separate votes on each.

ITEM NO. 2

1 MR. FOGARTY: Okay.

2 CHAIR KASSEKERT: So why don't we get --

3 MR. FOGARTY: I should sit?

4 CHAIR KASSEKERT: You can.

5 (Laughter.)

6 CHAIR KASSEKERT: And Mr. O'Gara? How
7 are you?

8 MR. O'GARA: I'm fine. Good morning
9 Chair, members of the Commission.

10 Yeah. I assume --

11 CHAIR KASSEKERT: We'll take Mr.
12 Tilman -- Mr. Tilman Fertitta --

13 MR. O'GARA: Tilman Fertitta first.

14 CHAIR KASSEKERT: Right.

15 MR. O'GARA: Then you'll get to --

16 CHAIR KASSEKERT: Right. Do you have
17 anything to add with respect to --

18 MR. O'GARA: No. Rick actually is here,
19 and he has his CPA license with him to prove
20 it.

21 (Laughter.)

22 CHAIR KASSEKERT: I see.

23 COMMISSIONER FANELLE: Do you have it in
24 a frame?

MR. O'GARA: We have it in the car.

ITEM NO. 2

1 CHAIR KASSEKERT: Thank you.

2 So the first motion would be on Tilman
3 J. Fertitta.

4 MR. FANELLE: I'll move that we grant
5 the key license and qualification and grant the
6 Petitioner his request to waive the residency
7 requirement as provided for in NJSA 5:12-89b-4.

8 VICE CHAIR HARRINGTON: Second.

9 CHAIR KASSEKERT: Motion has been made
10 and seconded. This is a roll call vote.

11 MR. NANCE: Commissioner Fanelle?

12 COMMISSIONER FANELLE: Yes.

13 MR. NANCE: Vice Chair Harrington?

14 VICE CHAIR HARRINGTON: Yes.

15 MR. NANCE: Chair Kassekert?

16 CHAIR KASSEKERT: Yes.

17 MR. NANCE: The record will reflect that
18 the motion is unanimous.

19 CHAIR KASSEKERT: Thank you.

20 MR. NANCE: Christopher J. Ford, Vice
21 President of Table Games for Marina District
22 Development Company.

23 CHAIR KASSEKERT: Let me just ask if
24 there is anyone here on behalf of Mr. Ford?

ITEM NO. 2

1 (No response.)

2 CHAIR KASSEKERT: Mr. Fogarty, are you
3 reporting on that one as well? Or is that --

4 MR. FOGARTY: I don't think I am. No, I
5 am not.

6 CHAIR KASSEKERT: Okay. Is there anyone
7 from the Division reporting on...

8 (Conferring.)

9 MR. O'GARA: I've heard he's a very nice
10 guy.

11 CHAIR KASSEKERT: He's a very nice guy?

12 (Laughter.)

13 MR. FOGARTY: Apparently, we --

14 CHAIR KASSEKERT: Unfortunately, that's
15 not under the standards of the Act. Under the
16 standard of integrity.

17 MR. FOGARTY: I would suggest that he's
18 sufficient.

19 CHAIR KASSEKERT: Thank you, Mr.
20 Fogarty.

21 Any questions for Mr. Fogarty?

22 (Laughter.)

23 COMMISSIONER FANELLE: You're really
24 doing good today.

VICE CHAIR HARRINGTON: I will move that

ITEM NO. 2

1 we grant the resubmitted key license and
2 qualification.

3 COMMISSIONER FANELLE: Seconded.

4 CHAIR KASSEKERT: Motion is made and
5 seconded. This is a roll call vote.

6 MR. NANCE: Commissioner Fanelle?

7 COMMISSIONER FANELLE: Yes.

8 MR. NANCE: Vice Chair Harrington?

9 VICE CHAIR HARRINGTON: Yes.

10 MR. NANCE: Chair Kassekert?

11 CHAIR KASSEKERT: Yes.

12 MR. NANCE: The record will reflect that
13 the motion is unanimous.

14 Richard H. Liem, Vice President and
15 Treasurer of Golden Nugget Atlantic City, LLC,
16 Golden Nugget, LLC, and Fertitta Entertainment
17 Holding, LLC, and Executive Vice President,
18 Chief Finance Officer and Director of Landry's,
19 Inc.

20 CHAIR KASSEKERT: Mr. O'Gara?

21 MR. O'GARA: Yeah. I neglected before.
22 Likewise, with Mr. Liem as Mr. Fertitta and Mr.
23 Scheinthal, there's a residency waiver. I
24 think as the Commission is aware, they reside

in Houston, Texas, which is where Landry's is

ITEM NO. 2

1 headquartered.

2 CHAIR KASSEKERT: Thank you.

3 Mr. Fogarty?

4 MR. FOGARTY: Just my comments that I
5 apparently made --

6 CHAIR KASSEKERT: Previously made.

7 MR. FOGARTY: -- at the wrong time
8 before.

9 CHAIR KASSEKERT: No. That's okay.

10 MR. FOGARTY: I was so concerned about
11 making sure --

12 CHAIR KASSEKERT: Everything got in.

13 MR. FOGARTY: Yeah.

14 CHAIR KASSEKERT: Yes, I know. I know.

15 MR. FOGARTY: And I'll wait for Mr.
16 Scheinfeld [sic].

17 CHAIR KASSEKERT: Okay. Very good.

18 Thank you.

19 Any questions?

20 COMMISSIONER FANELLE: Madame Chair, I
21 move that we grant the key license and
22 qualification and grant the Petitioner's
23 request to waive the residency requirement as
24 provided for in NJSA 5:12-89b-4.

VICE CHAIR HARRINGTON: I will second

ITEM NO. 2

1 that.

2 CHAIR KASSEKERT: Motion has been made
3 and seconded. This is a roll call vote.

4 MR. NANCE: Commissioner Fanelle?

5 COMMISSIONER FANELLE: Yes.

6 MR. NANCE: Vice Chair Harrington?

7 VICE CHAIR HARRINGTON: Yes.

8 MR. NANCE: Chair Kassekert?

9 CHAIR KASSEKERT: Yes.

10 MR. NANCE: The record will reflect that
11 the motion is unanimous.

12 Thomas M. Pohlman, Vice President of the
13 Relationship Marketing for Marina District
14 Development Company, LLC.

15 CHAIR KASSEKERT: Mr. O'Gara?

16 MR. O'GARA: No. Well, Tom Pohlman is
17 actually the General Manager of the Golden
18 Nugget Atlantic City.

19 CHAIR KASSEKERT: That's what I thought.

20 MS. FAUNTLEROY: We can correct that.

21 Executive Vice President, General
22 Manager of Golden Nugget AC, LLC.

23 MR. O'GARA: Golden Nugget AC. And Mr.
24 Pohlman obviously doesn't live in Houston,

Texas. He is with us today. Tom is with Rick

ITEM NO. 2

1 and Dan Brown in the back and is a resident of
2 Atlantic County and is the General Manager, and
3 we would ask that you find him plenary
4 qualified.

5 CHAIR KASSEKERT: Thank you.

6 Mr. Fogarty?

7 MR. FOGARTY: Yes. I did a letter on
8 Mr. Pohlman, qualification licensure letter
9 dated January 13. I have nothing else to add.

10 CHAIR KASSEKERT: Thank you.

11 Any questions?

12 VICE CHAIR HARRINGTON: No questions.

13 I will move that we grant the key
14 license and qualification.

15 COMMISSIONER FANELLE: Second.

16 CHAIR KASSEKERT: Motion is made and
17 seconded. This is a roll call vote.

18 MR. NANCE: Commissioner Fanelle?

19 COMMISSIONER FANELLE: Yes.

20 MR. NANCE: Vice Chair Harrington?

21 VICE CHAIR HARRINGTON: Yes.

22 MR. NANCE: Chair Kassekert?

23 CHAIR KASSEKERT: Yes.

24 MR. NANCE: The record will reflect that

the motion is unanimous.

ITEM NO. 2

1 Steven L. Scheinthal, Vice President and
2 Secretary of Golden Nugget Atlantic City, LLC,
3 Golden Nugget, LLC, and Fertitta Entertainment
4 Holdings, LLC, and Executive Vice President,
5 General Counsel, Secretary and Director of
6 Landry's, Inc.

7 CHAIR KASSEKERT: Mr. O'Gara?

8 MR. O'GARA: Yeah. As Mr. Fogarty
9 alluded earlier, he likewise lives in Houston,
10 Texas, has a residency waiver. He signed a
11 stipulation. He signed a stipulation and
12 timely ICA, I think it's remarkably similar,
13 abided by all the stipulations, and as
14 indicated, will continue to do so.

15 CHAIR KASSEKERT: Thank you.

16 Mr. Fogarty?

17 MR. FOGARTY: Yes. I just wanted to
18 make that point --

19 CHAIR KASSEKERT: Yup.

20 MR. FOGARTY: -- for the Commission. In
21 our letter report on him dated January 25,
22 2012, we do recommend that you qualify, license
23 him, subject to the stipulation being appended
24 to that, to the action.

CHAIR KASSEKERT: Thank you.

ITEM NO. 2

1 MR. FOGARTY: Thanks.

2 CHAIR KASSEKERT: Any questions for the
3 parties?

4 COMMISSIONER FANELLE: Madame Chair,
5 I'll move that we approve the stipulation of
6 settlement between the Division and Qualifier
7 and grant key license and qualification subject
8 to the compliance to the conditions contained
9 in the stipulation and grant the Petitioner's
10 request to waive the residency requirement as
11 provided for in NJSA 5:12-89b-4.

12 VICE CHAIR HARRINGTON: Second.

13 CHAIR KASSEKERT: The motion has been
14 made and seconded. This is a roll call vote.

15 MR. NANCE: Commissioner Fanelle?

16 COMMISSIONER FANELLE: Yes.

17 MR. NANCE: Vice Chair Harrington?

18 VICE CHAIR HARRINGTON: Yes.

19 MR. NANCE: Chair Kassekert?

20 CHAIR KASSEKERT: Yes.

21 MR. NANCE: The record will reflect that
22 the motion is unanimous.

23 Gregory Sherbon, Vice President of
24 Finance for RIH Acquisition New Jersey, LLC.

MS. WOSNACK: Good morning.

ITEM NO. 2

1 CHAIR KASSEKERT: Good morning.

2 MS. WOSNACK: Karen Wosnack on behalf of
3 Mr. Sherbon.

4 CHAIR KASSEKERT: Good morning. How are
5 you?

6 MS. RICHARDSON: Good morning. Tracy
7 Richardson from the Division.

8 CHAIR KASSEKERT: Thank you.

9 Anything to add to this petition?

10 MS. WOSNACK: I'll be happy to answer
11 any questions you may HAVE.

12 CHAIR KASSEKERT: Okay. Miss
13 Richardson?

14 MS. RICHARDSON: No. No questions.

15 CHAIR KASSEKERT: Any questions?

16 VICE CHAIR HARRINGTON: No questions.

17 I will move that we grant the
18 resubmitted application and key license.

19 COMMISSIONER FANELLE: Seconded.

20 CHAIR KASSEKERT: This is a roll call
21 vote.

22 MR. NANCE: Commissioner Fanelle?

23 COMMISSIONER FANELLE: Yes.

24 MR. NANCE: Vice Chair Harrington?

VICE CHAIR HARRINGTON: Yes.

ITEM NO. 3

1 MR. NANCE: Chair Kassekert?

2 CHAIR KASSEKERT: Yes.

3 MR. NANCE: The record will reflect that
4 the motion is unanimous.

5 MS. WOSNACK: Thank you.

6 MS. RICHARDSON: Thank you.

7 MR. NANCE: Item No. 3, amended Petition
8 Nos. 0231201 and 0251201 of Revel Entertainment
9 is requesting the issuance of a temporary key
10 employee licenses to the following individuals
11 pursuant to NJSA 5:12-89(e) for: Guy Abbate,
12 Slot Technician Manager; Joshua A. Carley,
13 Executive Director, Engineering Support;
14 Anthony V. DiSalvatore, Manager of Security
15 Operations; John C. Filipppe, Executive Director
16 Property Technician; James M. Knight,
17 Supervisor Security; Babu Kuttala, Executive
18 Director of CRM and BI Technician; William J.
19 Perry, Supervisor Security; John [sic] F.
20 Sweeney, Supervisor of Security; William A.
21 Tripet, II, Manager Electronic Security Video;
22 Delora J. LoDuca, Supervisor Casino Cage;
23 Richard Lutrell, Manager of Surveillance;
24 Manuela S. Zingarelli; Supervisor Casino Cage;

ITEM NO. 3

1 [sic] A. Zulli, Manager Casino Cage; Wilmer M.
2 Yinling, Supervisor of Security; and Shane S.
3 [Sic] Siragusa, Supervisor Slot Operations.

4 CHAIR KASSEKERT: Good morning.

5 MS. MEDINA: Good morning.

6 My name is Mary Helen Medina. I'm
7 General Counsel for Revel Entertainment, and I
8 am here to respectfully request that the
9 temporary licenses of these individuals be
10 granted.

11 CHAIR KASSEKERT: Thank you, Ms. Medina.

12 Mr. Fogarty? Are you going to handle?
13 You have Revel, also; right?

14 MR. FOGARTY: Oh, I have Revel.

15 (Laughter.)

16 CHAIR KASSEKERT: You have Revel.

17 MR. FOGARTY: You know, I've been here
18 30 years, and I'm still not certain I
19 understand the key, temporary key.

20 CHAIR KASSEKERT: Oh, yes, you do.

21 MR. FOGARTY: Well, I do and I don't.
22 Another part of my office did what you're now
23 discussing, so I assume it's okay.

24 CHAIR KASSEKERT: I would bet it is.

ITEM NO. 3

1 CHAIR KASSEKERT: Any questions for Mr.
2 Fogarty?

3 MS. FAUNTLEROY: Madame Chair --

4 VICE CHAIR HARRINGTON: You know what
5 happens when you assume.

6 MR. FOGARTY: I'm afraid that's all I
7 can add.

8 MS. FAUNTLEROY: Madame Chair, may I
9 amendment the record?

10 CHAIR KASSEKERT: Sure, Ms. Fauntleroy.

11 MS. FAUNTLEROY: The two "John"s are
12 "Joseph"s.

13 CHAIR KASSEKERT: Thank you.

14 MS. FAUNTLEROY: It's Joseph F. Sweeney
15 and Joseph A. Zulli.

16 CHAIR KASSEKERT: Okay. Very good.

17 Any questions?

18 COMMISSIONER FANELLE: Now, since Mr.
19 Fogarty's approved it, I'll move we approve the
20 petitions and issue the temporary casino key
21 licenses, employee licenses, and permit them to
22 assume the duties of their respective positions
23 for Revel Entertainment, Inc., an applicant for
24 casino license pursuant to NJSA 5:12-89(e).

VICE CHAIR HARRINGTON: I will second

ITEM NO. 4

1 that.

2 CHAIR KASSEKERT: The motion has been
3 made and seconded. All in favor?

4 (Ayes.)

5 CHAIR KASSEKERT: Opposed?

6 (No response.)

7 CHAIR KASSEKERT: The motion carries.

8 Thank you.

9 MR. FOGARTY: I purposely left my Revel
10 hat home today because I was doing Golden
11 Nugget.

12 (Laughter.)

13 CHAIR KASSEKERT: Well, I know it's --

14 MR. NANCE: Item No. 4, Petition No.
15 0331201 of Marina District Development Company,
16 LLC, is requesting the issuance of a temporary
17 casino key employee license to Sebastiana B.
18 Arroyo pursuant to NJSA 5:12-89(e) to permit
19 her to assume the duties of Associate
20 Surveillance Shift Manager.

21 Is Miss Arroyo present or represented?

22 (No response.)

23 MR. NANCE: Staff and the Division have
24 recommended that this petition be granted.

CHAIR KASSEKERT: Thank you.

ITEM NO. 5

1 And I'm assuming that there's nobody
2 from the Division to --

3 I'm assuming everything is in order.

4 Could I have a motion please?

5 VICE CHAIR HARRINGTON: With that, I
6 move we approve the petition and issue a
7 temporary casino key employee license to
8 Sebastiana B. Arroyo and permit her to assume
9 the duties of Associate Surveillance Shift
10 Manager for Marina District Development
11 Corporation -- Company, LLC, pursuant to NJSA
12 5:12-89(e).

13 COMMISSIONER FANELLE: Second.

14 CHAIR KASSEKERT: The motion has been
15 made and seconded. All in favor?

16 (Ayes.)

17 CHAIR KASSEKERT: Opposed?

18 (No response.)

19 CHAIR KASSEKERT: The motion carries.

20 MR. NANCE: Item No. 5, Petition No.
21 0381203 of RIH Acquisition New Jersey, LLC, is
22 requesting the issuance of a temporary casino
23 key employee license to Holly A. Campano
24 pursuant to NJSA 5:12-89(e) and to permit her

ITEM NO. 5

1 duties and exercise the powers of the Vice
2 President of Marketing without having first
3 been having been found qualified.

4 MS. WOSNACK: Good morning. Karen
5 Wosnack again on behalf of the licensee.

6 Thank you.

7 MS. RICHARDSON: Good morning. Tracy
8 Richardson for the Division.

9 CHAIR KASSEKERT: Thank you.

10 Any questions with respect to this
11 applicant?

12 VICE CHAIR HARRINGTON: No questions.

13 I will move that we approve the petition
14 and issue a temporary casino employee license
15 to Holly A. Campano and permit her to assume
16 the duties and to exercise the powers of Vice
17 President of Marketing for RIH Acquisition NJ,
18 LLC, without first have been found qualified.

19 COMMISSIONER FANELLE: Second.

20 CHAIR KASSEKERT: Motion is made and
21 seconded. This is a roll call vote.

22 MR. NANCE: Commissioner Fanelle?

23 COMMISSIONER FANELLE: Yes.

24 MR. NANCE: Vice Chair Harrington?

VICE CHAIR HARRINGTON: Yes.

ITEM NO. 6

1 MR. NANCE: Chair Kassekert?

2 CHAIR KASSEKERT: Yes.

3 MR. NANCE: The record will reflect that
4 the motion is unanimous.

5 MS. WOSNACK: Thank you.

6 MS. RICHARDSON: Thank you.

7 CHAIR KASSEKERT: Thank you.

8 MR. NANCE: Item No. 6, stipulation of
9 settlement in the application of Panzie S.
10 Fantauzzi for a casino key employee license.

11 CHAIR KASSEKERT: Good morning, Mr.
12 Lubin.

13 MR. LUBIN: Good morning. Good morning,
14 Chair, Commissioners.

15 For your consideration is the matter of
16 Panzie S. Fantauzzi, a/k/a Panzie Shazann and
17 Panzie Hayes.

18 Miss Fantauzzi filed an initial
19 application for a casino key employee license.
20 The Division interposed an objection with the
21 Commission and requested the matter be remanded
22 to a hearing.

23 Subsequently Miss Fantauzzi agreed to
24 enter into a stipulation of settlement with

ITEM NO. 6

1 review and consideration.

2 Mr. Bisciegliia is here on behalf of the
3 Division.

4 CHAIR KASSEKERT: Thank you.

5 Let me just first ask if Miss Fantauzzi
6 is here or represented?

7 (No response.)

8 CHAIR KASSEKERT: Mr. Bisciegliia?

9 MR. BISCIEGLIA: Good morning, Chair and
10 Commissioners.

11 The Division has nothing further and ask
12 the Commission adopt the stipulation as
13 submitted.

14 Thank you.

15 CHAIR KASSEKERT: Thank you.

16 Any questions?

17 COMMISSIONER FANELLE: Madame Chair,
18 I'll move that we approve the stipulation of
19 settlement and grant Panzie S. Fantauzzi
20 initial key employee license application
21 subject to compliance with the conditions set
22 forth in the stipulation.

23 VICE CHAIR HARRINGTON: And I will
24 second that.

CHAIR KASSEKERT: A motion has been made

ITEM NO. 7

1 and seconded. All in favor?

2 (Ayes.)

3 CHAIR KASSEKERT: Opposed?

4 (No response.)

5 CHAIR KASSEKERT: The motion carries.

6 Thank you, Mr. Bisciegliia.

7 MR. BISCIEGLIA: Thank you.

8 MR. LUBIN: Thank you.

9 MR. NANCE: Item No. 7, petition of
10 Caesars Entertainment Corporation requesting
11 permission for Mark A. Clayton to perform the
12 duties and exercise the powers of the Member of
13 the Compliance Committee of Caesars
14 Entertainment Corporation pending plenary
15 qualification.

16 Miss DeLia?

17 MS. DeLIA: Good morning.

18 A draft resolution has been circulated
19 to the parties.

20 Dennis Daly is here on behalf of the
21 Petitioners, and Tracy Richardson is here on
22 behalf of the Division.

23 CHAIR KASSEKERT: Thank you.

24 Mr. Daly?

MR. DALY: Good morning, Madame Chair,

ITEM NO. 7

1 Commissioners.

2 We have read the draft resolution, and
3 we're very grateful for the Division's and the
4 Commission staff's efforts into speeding these
5 qualification matters along. As you know, they
6 are temporary qualifications of Ms. Becker.

7 And the next few items that you're
8 going to be addressing that are required by
9 virtue of the recent Division regulations that
10 create the compliance committees. A part of
11 those regulations also require that each
12 individual member and the compliance officers
13 be qualified to the standards of a key
14 licensee.

15 As the Division has recommended, and the
16 resolution reflects, these individuals, Mr.
17 Clayton, is qualified to the level that is
18 required for his temporary qualification, and I
19 ask that you go ahead and adopt the resolution
20 as drafted.

21 CHAIR KASSEKERT: Thank you.

22 Mr. Daly, could I just make one request
23 of you?

24 MR. DALY: Certainly.

CHAIR KASSEKERT: I know that there has

ITEM NO. 7

1 been some issues back and forth with the
2 providing of courtesy copies to the Commission.

3 MR. DALY: Yes.

4 CHAIR KASSEKERT: That helps to speed
5 things along, frankly, and allows us to move
6 forward quickly when we do get a last-minute
7 request, and I would ask that you help us out
8 by making sure we receive courtesy copies of
9 information.

10 MR. DALY: We certainly will do that.

11 CHAIR KASSEKERT: Thank you.

12 Miss Richardson?

13 MS. RICHARDSON: Thank you, Chair.

14 You have our letter from DAG Adams dated
15 February 7th.

16 And we also reviewed the draft
17 resolution, and we have no objection.

18 Thank you.

19 CHAIR KASSEKERT: Thank you.

20 Any questions?

21 COMMISSIONER FANELLE: Madame Chair, I
22 move to adopt the draft resolution and
23 authorize Mark A. Clayton on a temporary basis
24 and prior to his plenary qualification to

ITEM NO. 16

1 member of the Compliance Committee for Caesars
2 Entertainment Corporation subject to the
3 conditions contained in NJSA 5:12-85.1c, NJSA
4 5:12-89b(1) and (2), and NJAC 13:69C-2.7.

5 VICE CHAIR HARRINGTON: Second.

6 CHAIR KASSEKERT: Motion has been made
7 and seconded. This is a roll call vote.

8 MR. NANCE: Commissioner Fanelle?

9 COMMISSIONER FANELLE: Yes.

10 MR. NANCE: Vice Chair Harrington?

11 VICE CHAIR HARRINGTON: Yes.

12 MR. NANCE: Chair Kassekert?

13 CHAIR KASSEKERT: Yes.

14 MR. NANCE: The record will reflect that
15 the motion is unanimous.

16 CHAIR KASSEKERT: Thank you.

17 MR. NANCE: For your consideration Item
18 No. 16, petition of Caesars Entertainment
19 Corporation requesting permission for Ronald A.
20 Terry to perform the duties and exercise the
21 powers of Chairman of the Corporate Compliance
22 Committee for Caesars Entertainment
23 Corporation, pending plenary qualification.

24 Miss DeLia?

MS. DeLIA: A draft resolution has been

ITEM NO. 16

1 circulated to the parties.

2 Again, Dennis Daly is here on behalf of
3 the Petitioners and Tracy Richardson on behalf
4 of the Division.

5 CHAIR KASSEKERT: Thank you.

6 Mr. Daly?

7 MR. DALY: Again, we've read the draft
8 resolution and have no objection to it, of
9 course, and urge you to adopt it.

10 CHAIR KASSEKERT: Thank you.

11 Miss Richardson?

12 MS. RICHARDSON: Thank you, Chair.

13 DAG Adams submitted a letter to you
14 dated February 13th. We've also reviewed the
15 draft resolution and have no objections.

16 Thank you.

17 CHAIR KASSEKERT: Thank you.

18 Any questions?

19 VICE CHAIR HARRINGTON: No questions.

20 I will move that we adopt the draft
21 resolution and authorize Donald A. Terry on a
22 temporary basis and prior to his plenary
23 qualification to assume the duties and exercise
24 the powers of Chairman of the Corporate

ITEM NO. 8

1 Corporation subject to the conditions contained
2 in NJSA 5:12-85.1c, NJSA 5:12-89b(1) and (2),
3 and NJAC 13:69C-2.7.

4 COMMISSIONER FANELLE: Second.

5 CHAIR KASSEKERT: Motion has been made
6 and seconded. This is a roll call vote.

7 MR. NANCE: Commissioner Fanelle?

8 COMMISSIONER FANELLE: Yes.

9 MR. NANCE: Vice Chair Harrington?

10 VICE CHAIR HARRINGTON: Yes.

11 MR. NANCE: Chair Kassekert?

12 CHAIR KASSEKERT: Yes.

13 MR. NANCE: The record will reflect that
14 the motion is unanimous.

15 Item No. 8, petition of Tropicana
16 Entertainment, Incorporated, and Tropicana
17 Atlantic City Corp. requesting permission for
18 Patricia W. Becker to could perform the duties
19 and exercise the powers of the Chair of the
20 Compliance Committee for Tropicana
21 Entertainment, Incorporated, pending plenary
22 qualification.

23 Miss Delia?

24 MS. DeLIA: Yes. A draft resolution has

been circulated.

ITEM NO. 8

1 Dennis Daly is here and Tracy
2 Richardson.

3 CHAIR KASSEKERT: Mr. Daly?

4 MR. DALY: Again, Mr. -- Bill Murtha is
5 here with me. As you know, he's the General
6 Counsel for Tropicana Entertainment, Inc.

7 If you have any questions regarding the
8 next two qualifiers who are with Tropicana, I'm
9 sure he'll be able to respond to any concerns
10 you have.

11 For my part, I have read the draft
12 resolution and urge you to adopt it.

13 CHAIR KASSEKERT: Thank you.

14 Good to see you again.

15 MR. MURTHA: Yes.

16 CHAIR KASSEKERT: Miss Richardson?

17 MS. RICHARDSON: Thank you.

18 You have our letter dated January 2nd --
19 7th, excuse me -- and we've reviewed the draft
20 resolution and have no objections.

21 Thank you, Chair.

22 CHAIR KASSEKERT: Thank you.

23 Any questions about the Applicant or the
24 resolution?

COMMISSIONER FANELLE: Madame Chair,

ITEM NO. 15

1 I'll move that we adopt the draft resolution
2 and authorize Patricia W. Becker on a temporary
3 basis and prior to her plenary qualification to
4 assume the duties and exercise the powers of
5 Chair of the Compliance Committee for Tropicana
6 Entertainment, Incorporated, subject to the
7 conditions contained in NJSA 5:12-85.1c, NJSA
8 5:12-89b(1) and (2), and NJAC 13:69C-2.7.

9 VICE CHAIR HARRINGTON: I will second
10 that.

11 CHAIR KASSEKERT: A motion has been made
12 and seconded. This is a roll call vote.

13 MR. NANCE: Commissioner Fanelle?

14 COMMISSIONER FANELLE: Yes.

15 MR. NANCE: Vice Chair Harrington?

16 VICE CHAIR HARRINGTON: Yes.

17 MR. NANCE: Chair Kassekert?

18 CHAIR KASSEKERT: Yes.

19 MR. NANCE: The record will reflect that
20 the motion is unanimous.

21 For your consideration, Item No. 15,
22 position petition of Tropicana Entertainment,
23 Incorporated, and Tropicana Atlantic City Corp.
24 requesting permission for Donald P. Perkins to

ITEM NO. 15

1 the Director of Corporate Compliance for
2 Tropicana Entertainment, Incorporated, pending
3 plenary qualification.

4 Miss DeLia?

5 MS. DeLIA: Again, a draft resolution
6 has been circulated to the parties.

7 And Mr. Daly represents the Petitioners,
8 and Miss Richardson the Division.

9 CHAIR KASSEKERT: Mr. Daly?

10 MR. DALY: Once again, we have read the
11 draft resolution and urge you to adopt it.

12 CHAIR KASSEKERT: Thank you.

13 Miss Richardson?

14 MS. RICHARDSON: Thank you.

15 We submitted a letter dated February 9th
16 with no objection.

17 And we also have no objection to the
18 draft resolution.

19 Thank you.

20 CHAIR KASSEKERT: Thank you.

21 Any questions?

22 VICE CHAIR HARRINGTON: No questions.

23 I will move that we adopt the draft
24 resolution and authorize Donald P. Perkins on a

ITEM NO. 9

1 qualification to assume the duties and exercise
2 the powers of Director of Corporate Compliance
3 for Tropicana Entertainment, Incorporated,
4 subject to the conditions contained in NJSA
5 5:12-85.1c and NJSA 5:12-89b(1) and (2), and
6 NJAC 13:69C-2.7.

7 COMMISSIONER FANELLE: Second.

8 CHAIR KASSEKERT: Motion made -- has
9 been made and seconded. This is a roll call
10 vote.

11 MR. NANCE: Commissioner Fanelle?

12 COMMISSIONER FANELLE: Yes.

13 MR. NANCE: Vice Chair Harrington?

14 VICE CHAIR HARRINGTON: Yes.

15 MR. NANCE: Chair Kassekert?

16 CHAIR KASSEKERT: Yes.

17 MR. NANCE: The record will reflect that
18 the motion is unanimous.

19 Item No. --

20 CHAIR KASSEKERT: Thank you.

21 MR. DALY: Thank you.

22 MR. NANCE: Item No. 9, consideration of
23 the qualification of Kenneth W. Brimmer to
24 serve as a member of the Board of Directors and

ITEM NO. 9

1 LLC.

2 Miss DeLia?

3 MS. DeLIA: Kenneth W. Brimmer was found
4 temporarily qualified by the Commission on May
5 23rd, 2011, when the Commission granted Golden
6 Nugget Interim Casino Authorization.

7 A draft resolution has been circulated
8 to the parties.

9 Mr. O'Gara is here on behalf of the
10 Petitioners, and Mr. Fogarty is here on behalf
11 of the Division.

12 CHAIR KASSEKERT: Thank you.

13 Mr. O'Gara?

14 MR. O'GARA: Yes, ma'am.

15 Ken Brimmer and likewise the next item,
16 Michael Chadwick, are members of the Board of
17 Directors of Golden Nugget, GNAC, LLC, which is
18 the Atlantic City licensee. They are likewise
19 members of the independent audit committee.
20 They are qualified in that capacity.

21 When we get to the item down the road,
22 in the order in the Division report which
23 approves a compliance program which includes a
24 compliance committee, that would be required to

be qualified as well. They are temporarily

ITEM NO. 9

1 qualified. They are on that committee. So
2 they are also members of the compliance
3 committee. They are the two independent
4 members, Rick Liem and some other folks are on
5 there as well. So that is the three capacities
6 for both of them. So there was no question.

7 CHAIR KASSEKERT: Thank you.

8 Mr. Fogarty?

9 MR. FOGARTY: Yes. With regard to Mr.
10 Brimmer, we filed a letter report recommending
11 that you qualify him. That letter report is
12 dated January 13th, 2012.

13 And I just note the comments that Mr.
14 O'Gara just made, that both Mr. Brimmer and Mr.
15 Chadwick serve in those three capacities, if
16 you will, the board itself, the audit
17 committee, and a compliance committee.

18 CHAIR KASSEKERT: Thank you.

19 Any questions?

20 COMMISSIONER FANELLE: Madame Chair,
21 I'll move that we adopt the draft resolution
22 and find Kenneth W. Brimmer qualified to serve
23 as a member of the Board of Directors, Audit
24 Committee, and Compliance Committee of Golden

ITEM NO. 10

1 NJSA 5:12-85.1c and d, NJSA 5:12-89b(1) and
2 (2), and NJAC 13:69C-2.7.

3 VICE CHAIR HARRINGTON: Second.

4 CHAIR KASSEKERT: Motion is made and
5 seconded. This is a roll call vote.

6 MR. NANCE: Commissioner Fanelle?

7 COMMISSIONER FANELLE: Yes.

8 MR. NANCE: Vice Chair Harrington?

9 VICE CHAIR HARRINGTON: Yes.

10 MR. NANCE: Chair Kassekert?

11 CHAIR KASSEKERT: Yes.

12 MR. NANCE: The record will reflect that
13 the motion is unanimous.

14 CHAIR KASSEKERT: Thank you.

15 MR. NANCE: Item No. 10, consideration
16 of the qualification of Michael Chadwick to
17 serve as a member of the Board of Directors of
18 Golden Nugget Atlantic City, LLC.

19 Miss DeLia?

20 MS. DeLIA: Michael Chadwick was found
21 temporarily qualified by the Commission on May
22 23rd, 2011, at the interim casino authorization
23 hearing.

24 A copy of the draft resolution has been

ITEM NO. 10

1 Again, Mr. O'Gara is here and Mr.
2 Fogarty is here for the Division.

3 CHAIR KASSEKERT: Thank you.

4 Mr. O'Gara?

5 MR. O'GARA: Yes, ma'am.

6 Mr. Chadwick is the same as Mr. Brimmer.

7 CHAIR KASSEKERT: Right.

8 MR. O'GARA: He's -- he's just up first.

9 So we would ask that you grant him
10 qualification as well.

11 CHAIR KASSEKERT: Thank you.

12 Mr. Fogarty?

13 MR. FOGARTY: Yes. We filed a letter on
14 him dated September 15th, 2011. Pretty
15 efficient, huh? And we recommended that you
16 qualify him.

17 CHAIR KASSEKERT: Thank you.

18 Any questions?

19 MR. FOGARTY: And I've seen a draft
20 resolution and have no objections.

21 CHAIR KASSEKERT: No objections.

22 Thank you very much.

23 Any questions?

24 VICE CHAIR HARRINGTON: No questions.

I move that we adopt the draft

ITEM NO. 11

1 resolution and find Michael Chadwick qualified
2 to serve as a member of the Board of Directors,
3 Audit Committee, and Compliance Committee of
4 the Golden Nugget Atlantic City, LLC, that
5 accordance with NJSA 12-85.1c and d, NJSA
6 5:12-89b(1) and (2), and NJAC 13:69C-2.7.

7 COMMISSIONER FANELLE: Second.

8 CHAIR KASSEKERT: Motion is made and
9 seconded. This is a roll call vote.

10 MR. NANCE: Commissioner Fanelle?

11 COMMISSIONER FANELLE: Yes.

12 MR. NANCE: Vice Chair Harrington?

13 VICE CHAIR HARRINGTON: Yes.

14 Yes. I said yes.

15 MR. NANCE: I'm sorry.

16 And Chair Kassekert?

17 CHAIR KASSEKERT: Yes.

18 MR. NANCE: The record will reflect that
19 the motion is unanimous.

20 Item No. 11, consideration of the
21 qualification of Dora Kittle to serve as Senior
22 Vice President and Chief Information Officer of
23 Landry's, Inc.

24 Miss DeLia?

MS. DeLIA: Again, Lori Kittle was found

ITEM NO. 11

1 temporarily qualified on May 23rd, 2011, at the
2 interim casino authorization hearing.

3 A draft resolution has been circulated.

4 Mr. O'Gara is here and Mr. Fogarty is
5 still here.

6 (Laughter.)

7 CHAIR KASSEKERT: Still here.

8 MR. O'GARA: Yeah.

9 MR. FOGARTY: Here till the end.

10 CHAIR KASSEKERT: Right.

11 MR. O'GARA: Miss Kittle is the CF --
12 the Information Officer of Landry's pursuant to
13 the agreement that you've approved, everybody's
14 approved between them. There's information
15 services. She, likewise, lives in Houston,
16 Texas.

17 CHAIR KASSEKERT: Thank you.

18 Mr. Fogarty?

19 MR. FOGARTY: Yes. We recommended by
20 letter dated August 18th, 2011, that you
21 qualify Miss Kittle in connection with Golden
22 Nugget's application.

23 CHAIR KASSEKERT: Application.

24 MR. FOGARTY: As Landry's, Senior Vice

ITEM NO. 12

1 And I've seen the draft resolution, have
2 no objection to its entry.

3 CHAIR KASSEKERT: Thank you.

4 Any questions?

5 COMMISSIONER FANELLE: Madame Chair,
6 I'll move that we adopt the draft resolution
7 and find Lori Kittle qualified to serve as
8 Senior Vice President and Chief Information
9 Officer of Landry's, Inc., in accordance with
10 NJSA 5:12-85.1c and d, NJSA 5:12-89b(1) and
11 (2), and NJAC 13:69C-2.7.

12 VICE CHAIR HARRINGTON: Second.

13 CHAIR KASSEKERT: Motion has been made
14 and seconded. This is a roll call vote.

15 MR. NANCE: Commissioner Fanelle?

16 COMMISSIONER FANELLE: Yes.

17 MR. NANCE: Vice Chair Harrington?

18 VICE CHAIR HARRINGTON: Yes.

19 MR. NANCE: Chair Kassekert?

20 CHAIR KASSEKERT: Yes.

21 MR. NANCE: The record will reflect that
22 that the motion is unanimous.

23 CHAIR KASSEKERT: Thank you.

24 MR. NANCE: Item No. 12, petition of

ITEM NO. 12

1 employment restriction pursuant to NJSA
2 5:12-60b(2).

3 MISS FAUNTLEROY: Miss Fauntleroy?

4 MS. FAUNTLEROY: Thank you.

5 Former Commission inspector employee
6 Thomas S. Moore seeks a waiver of the two-year
7 post employment restriction imposed by NJSA
8 5:12-60b.2 [sic] pursuant to the exception
9 provided therein which allows for a waiver
10 request if a Commission employee is terminated
11 as a result of a RIF and to the extent that the
12 Commission finds that employment proposed does
13 not create an appearance of conflict of
14 interest in fact or in evidence.

15 To that extent, your consideration of
16 Mr. Moore's position as an inspection and his
17 proposed employment at Trump Taj Mahal as a
18 surveillance officer does not indicate that
19 there would be a conflict of interest in
20 appearance or in fact. And to that extent,
21 staff recommends that his request be granted.

22 CHAIR KASSEKERT: Thank you.

23 Any questions?

24 VICE CHAIR HARRINGTON: No questions.

Madame Chair, I am delighted to move

ITEM NO. 13

1 that through you we approve Thomas
2 Moore's requested -- Thomas S. Moore's
3 requesting relief and waive the post employment
4 restriction and permit Mr. Moore employment
5 with Trump Taj Mahal Associates, LLC, as a
6 surveillance officer pursuant to NJSA
7 5:12-60b(2) and subject to the appropriate
8 registration or licensure.

9 COMMISSIONER FANELLE: Second.

10 CHAIR KASSEKERT: The motion has been
11 made and seconded. All in favor?

12 (Ayes.)

13 CHAIR KASSEKERT: Opposed?

14 (No response.)

15 CHAIR KASSEKERT: The motion carries.

16 MR. NANCE: Item No. 13, petition of
17 Anthony Lisi requesting a waiver of post
18 employment restrictions pursuant to NJSA
19 5:12-60b(2).

20 Miss Fauntleroy?

21 MS. FAUNTLEROY: Thank you.

22 Also former commission inspector Anthony
23 J. Lisi seeks a waiver of the two-year post
24 employment restriction. His proposed

employment would be with Golden Nugget as --

ITEM NO. 13

1 also as one of its surveillance officers.

2 The same review was conducted with
3 regard to determining whether or not there
4 would be an appearance of conflict of interest
5 or a conflict of interest in fact. After that
6 review, staff does recommend that the waiver
7 request be granted.

8 CHAIR KASSEKERT: Thank you.

9 Any questions?

10 VICE CHAIR HARRINGTON: No questions.

11 COMMISSIONER FANELLE: Madame Chair,
12 I'll move that we approve Anthony Lisi's
13 requested relief from post employment
14 restriction to permit Mr. Lisi's employment
15 with the Golden Nugget Atlantic City, LLC, as a
16 surveillance officer pursuant to NJSA
17 5:12-60b(2) and subject to appropriate
18 registration or licensure.

19 VICE CHAIR HARRINGTON: Second.

20 CHAIR KASSEKERT: The motion has been
21 made and seconded. All in favor?

22 (Ayes.)

23 CHAIR KASSEKERT: Opposed?

24 (No response.)

CHAIR KASSEKERT: Motion carries.

ITEM NO. 14

1 Let me just ask does -- before we move
2 on to our final item -- anyone need to break?

3 Mr. O'Gara? Mr. Fogarty?

4 MR. FOGARTY: I'm good to go. Thank
5 you.

6 CHAIR KASSEKERT: Okay.

7 MR. O'GARA: We're good to go.

8 CHAIR KASSEKERT: Very good.

9 You can call the matter then, Mr. Nance.

10 MR. NANCE: Item No. 14, application of
11 Golden Nugget Atlantic City, LLC, for plenary
12 casino licensure.

13 I recall Item No. 14, application of
14 Golden Nugget Atlantic City, LLC, for plenary
15 casino licensure.

16 CHAIR KASSEKERT: Thank you.

17 Miss Wozniak?

18 MS. WOZNIAK: Good morning.

19 Counsel enter their appearances, please.

20 MR. O'GARA: Paul O'Gara for Golden
21 Nugget, Atlantic City, LLC, Golden Nugget, LLC,
22 Landry's, and all its affiliates.

23 CHAIR KASSEKERT: Mr. Fogarty?

24 MR. FOGARTY: James C. Fogarty, Deputy

ITEM NO. 14

1 Enforcement.

2 CHAIR KASSEKERT: Thank you, Mr.
3 Fogarty.

4 On May 23rd of last year, the Commission
5 granted Interim Casino Authorization to Golden
6 Nugget Atlantic City, LLC, allowing it to
7 acquire the casino then known as Trump Marina
8 and to operate the Golden Nugget Casino Hotel
9 pending the issuance of a casino license.

10 The Division of Gaming Enforcement has
11 now reported on its investigation of Golden
12 Nugget and its qualifying persons.
13 Accordingly, this morning we will here
14 testimony from GNAC and the arguments of
15 counsel.

16 First, there are a number of exhibits
17 that have been premarked which Mr. Nance will
18 identify for the record.

19 Mr. Nance?

20 MR. NANCE: Chair and Commissioners, the
21 remarked exhibits are as follows: The Casino
22 Control Commission has one exhibit, C-1, for
23 identification only. C-1 is a draft
24 resolution.

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1 two exhibits, D-1 and D-2. D-1 is a report
2 dated January 27th, 2012, on the application of
3 Golden Nugget Atlantic City, LLC, Golden
4 Nugget, LLC, for plenary casino license by
5 James C. Fogarty, Deputy Attorney General. And
6 D-2 is a stipulation dated January 24, 2012, in
7 the matter of qualification of Steven L.
8 Sinthal. Scheinthal. Excuse me.

9 CHAIR KASSEKERT: Thank you.

10 Mr. O'Gara, I believe you have a sealing
11 request.

12 MR. O'GARA: Yes, ma'am. We had a
13 sealing request with respect to the small
14 portions the reports. Small portions of the
15 stipulation. And other than that, we have no
16 objection to their admission -- we have no
17 objection to the admission. We just ask that
18 you grant the sealing request before you submit
19 that.

20 CHAIR KASSEKERT: Thank you.

21 Mr. Fogarty, do you have any objections?

22 MR. FOGARTY: Well, I do formally move
23 both of those exhibits into evidence. I have
24 seen the sealing request to both items, and I

have no objection to the sealing request.

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1 CHAIR KASSEKERT: Thank you.

2 Let me deal with the sealing request
3 first. Can I have a motion to accept the
4 sealing request?

5 VICE CHAIR HARRINGTON: So moved.

6 COMMISSIONER FANELLE: Second.

7 CHAIR KASSEKERT: The motion has been
8 made and seconded. All in favor?

9 (Ayes.)

10 CHAIR KASSEKERT: Opposed?

11 (No response.)

12 CHAIR KASSEKERT: The motion carries.
13 And any objection -- any other
14 objections?

15 I know Mr. Fogarty didn't have any to
16 the admission of these exhibits?

17 MR. FOGARTY: No.

18 CHAIR KASSEKERT: No. Very good. I'll,
19 therefore, move these into evidence.

20 Are there any other procedural matters
21 that need to be brought to our attention at
22 this time?

23 MR. FOGARTY: Not from the Division.

24 CHAIR KASSEKERT: Okay.

MR. O'GARA: No, ma'am.

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1 CHAIR KASSEKERT: Let me ask -- I'm
2 sorry. Mr. O'Gara, any --

3 MR. O'GARA: No, Madame Chair. No. No.
4 No.

5 CHAIR KASSEKERT: Okay. Very good.
6 We'll move to opening statements.

7 MR. O'GARA: Yeah. Just briefly.

8 First of all, Mr. Liem will be a
9 witness. He's here. As well, Tom Pohlman is
10 here who is the Executive Vice President and
11 General Manager of the Golden Nugget
12 Atlantic City. Don Brown, who is the Executive
13 Vice President of Operations.

14 Mr. Fertitta is not here. Mr. Fertitta
15 is a trustee of the University of Houston. The
16 University of Houston Trustees are meeting
17 today and tomorrow and adopting the budget for
18 that institution, which is rather large. And,
19 otherwise, he would be here. He actually
20 enjoys this stuff.

21 (Laughter.)

22 MR. O'GARA: I mean, you saw before.

23 CHAIR KASSEKERT: Yes.

24 MR. O'GARA: Obviously, he -- and Mr.

Scheinthal, obviously, is in Portland, which is

ITEM NO. 14

1 where McCormick & Schmick is, and there are
2 things which are in connection to the
3 acquisition, but they extend to you their
4 thanks.

5 With that, I don't have anything
6 further. Mr. Liem will testify, and he can
7 tell you the whole story.

8 CHAIR KASSEKERT: Thank you.

9 Mr. Fogarty?

10 MR. FOGARTY: Yes.

11 Commissioners -- Chair, Commissioners,
12 Mr. O'Gara, our report has been moved into
13 evidence before you. We believe it contains
14 all that's required for you to decide today's
15 application by Golden Nugget for a casino
16 license.

17 I want to for a few moments, if you
18 please, highlight the financial review section
19 of that report. More and more it seems,
20 perhaps it's a sign of the times, that our
21 collective attentions as regulators is focused
22 on financial matters.

23 I characterize our financial review --
24 review of Golden Nugget Atlantic City by what

I'll call the four "R"s: Renovations,

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1 reasonable forecasting, revolver, and
2 resources.

3 Renovation. \$84 million, by our count,
4 in renovations since the ICA last May. And,
5 actually -- and I think Mr. O'Gara will be
6 quick to correct me -- those renovations
7 actually started before that ICA was granted by
8 you all. It's expected those renovations will
9 pay off handsomely. And there is no reason for
10 us to doubt that. I expect Mr. Liem, as you
11 heard Mr. O'Gara say, will testify and will go
12 over some of the aspects of those renovations
13 with you.

14 Reasonable forecasting. My two
15 principal -- the Division's two principal
16 financial gurus, if you will, Robert Latimer
17 and Christopher Glaum, both took pains to tell
18 me that, Jim, these are realistic forecasts.
19 These are refreshing. I'm not sure what that
20 meant about everybody else's, but it is why we
21 recommend -- it is principally why we recommend
22 no special finance condition be appended to a
23 license that you may grant today.

24 The revolver. It's \$10 million. It's a

nice cushion. It's good for flexibility.

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1 And, finally, resources. That would be
2 the resources of the absent Mr. Tilman
3 Fertitta. He is the sole owner of Golden
4 Nugget Atlantic City and the sole owner of that
5 thing called the Landry's enterprise, if you
6 will, which has just grown by the acquisition
7 of McCormick & Schmick's as well as the
8 Morton's Steakhouse group. My personal
9 favorite, just by the title, is Bubba Gump
10 Shrimp.

11 He's also -- he hasn't been shy about
12 putting in cash to renovate and to put this
13 facility on a path to success. He is the
14 principal source of funds for the renovation,
15 and he also paid off a \$36.5 million term loan
16 that existed there for a fleeting moment, if
17 you will. And as a result, Golden Nugget is as
18 close to debt free, perhaps, as one could
19 reasonably expect. And when was the last time
20 we heard something like that?

21 There is no reason, then, to think other
22 than if times get tough for Golden Nugget in
23 Atlantic City that Mr. Fertitta won't utilize
24 his resources again.

So in a nutshell, it's the renovations.

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1 It's the reasonable forecasting. It's the
2 revolver. And it's the resources of Mr.
3 Fertitta that underscore our favorable
4 financial review.

5 Thank you.

6 CHAIR KASSEKERT: Thank you, Mr.
7 Fogarty.

8 Mr. O'Gara, would you like to call your
9 first witness?

10 MR. O'GARA: Sure. Rick Liem, please.

11 CHAIR KASSEKERT: Yes.

12 Good morning, Mr. Liem.

13 MR. LIEM: Good morning.

14 CHAIR KASSEKERT: Mr. Nance will swear
15 you.

16
17 RICHARD H. LIEM, having been first duly
18 sworn, testified as follows:

19
20 MR. NANCE: Please state your name for
21 the record.

22 THE WITNESS: Richard H. Liem.

23 MR. NANCE: Thank you.

24 CHAIR KASSEKERT: Thank you. You may

Liem - direct - O'Gara

1 MR. O'GARA: Yeah.

2

3 DIRECT EXAMINATION BY MR. O'GARA:

4 Q. Mr. Liem, where do you live and who
5 would you work for?

6 A. I live in Houston, Texas, and I work for
7 Tilman Fertitta.

8 Q. Do you have a position with Golden
9 Nugget Atlantic City, the casino licensee applicant
10 here; correct?

11 A. That's correct.

12 Q. Do you know what that is?

13 A. I'm the Vice President and Treasurer.

14 Q. And with respect to Landry's, Inc., what
15 position do you hold?

16 A. I'm the Executive Vice President and
17 Chief Financial Officer.

18 Q. And under the Landry's umbrella and
19 others, does Mr. Fertitta own a large number of
20 hospitality businesses?

21 A. He does. He owns many different
22 entities.

23 Q. And do you serve in a similar capacity
24 with respect to each of those entities?

25

A. Correct.

Liem - direct - O'Gara

1 Q. And who owns Golden Nugget Atlantic
2 City?

3 A. Tilman Fertitta.

4 Q. Who owns Landry's?

5 A. Tilman Fertitta.

6 Q. Landry's; is that a generic term that
7 you use in the marketplace to refer to all of the
8 hospitality entities that Mr. Fertitta owns?

9 A. Yes.

10 Q. And that includes things which are not
11 directly in that line, in the Landry's line like
12 Golden Nugget Las Vegas and Golden Nugget Laughlin,
13 those type of things?

14 A. That's correct.

15 Q. How large is Landry's?

16 A. Landry's on the restaurant side has
17 probably 60 different concepts, which would include
18 Rainforest Cafe, Chart House, Claim Jumper, Landry's,
19 Oceanaire, Saltgrass, McCormick & Schmick's. Morton's
20 would probably be the ones people recognize. We also
21 have a Holiday Inn, a Hilton hotel, San Luis resort in
22 Galveston, Texas, the Golden Nugget in Las Vegas, and
23 the Golden Nugget in Laughlin.

24 Q. How many employees does Landry's overall

25 have worldwide?

Liem - direct - O'Gara

1 A. About 50,000.

2 Q. And what's the approximate revenues of
3 the Landry's companies?

4 A. I would say cumulative, Landry's
5 entities would do about two and a half billion dollars
6 in revenue and probably \$400 million in EBITDA.

7 Q. And since you were granted ICA in May,
8 are there entities which you've acquired which are now
9 part of the Landry's brand?

10 A. Yes. McCormick & Schmick's we acquired,
11 and Morton's we required.

12 Q. And how recently was Morton's acquired?

13 A. Probably three weeks ago.

14 Q. In addition to Golden Nugget, do -- does
15 Landry's operate other facilities here in Atlantic
16 City?

17 A. We have three restaurants within the
18 Golden Nugget, and then we have three restaurants in
19 Atlantic City not within the Golden Nugget, which
20 would be McCormick & Schmick's, Morton's, and the
21 Rainforest Cafe.

22 Q. And do you know outside of Atlantic
23 City, how many outlets or concepts do you have in New
24 Jersey?

A. There are about 14 restaurants in New

Liem - direct - O'Gara

1 Jersey.

2 Q. And then include the Chart House?

3 A. Chart House, Crab House, McCormick &
4 Schmick's, Morton's, Rainforest Cafe.

5 Q. Big Fish.

6 A. Big Fish in Princeton.

7 Q. On the 11th of February, 2011, did a
8 subsidiary of Landry's enter into an agreement with
9 Trump Entertainment to buy the Trump Entertainment
10 assets?

11 A. Yes, they did.

12 Q. And subsequently that agreement was
13 assigned --

14 A. Yes.

15 Q. -- assigned to GNAC?

16 A. Correct.

17 Q. And did that asset agreement contain it
18 in any provisions which allowed you to work inside
19 that building before you bought it?

20 A. Yes. It's, you know, sort of Tilman's
21 forte to get started right away, knowing that these
22 things take some time. So the agreement anticipated
23 that we could begin work immediately on any
24 renovations that we wanted to do with the stipulation.

25 That if we didn't close, those renovations would

Liem - direct - O'Gara

1 belong to the prior owner. So we started right away.

2 And, in fact, the Chart House restaurant opened up the
3 day that we closed on the transaction.

4 Q. All right. And that would be -- the ICA
5 was May 23rd, and it took the building 6 a.m. May
6 24th; correct?

7 A. Correct.

8 Q. And the Chart House open opened that
9 day?

10 A. That's correct.

11 Q. Now, with respect to that interim
12 authorization, you testified; right?

13 A. Yes.

14 Q. You probably are not remembered because
15 your boss testified.

16 What at the time -- what was the
17 purchase price for the Trump Marina? Do you recall?

18 A. Thirty-eight million.

19 Q. And with respect to that purchase price
20 and planned renovations that Mr. Fertitta had
21 outlined, was there financing put in place?

22 A. Yes. There was.

23 Q. And can you just generally tell us what
24 that financing was at the time the transaction closed?

25

A. It was \$36-and-a-half million term loan.

Liem - direct - O'Gara

1 A \$10 million revolver. There was \$35 million in
2 equity that was put into the business. And there was
3 contemplated to do a delayed draw term loan for the
4 renovations of 20 million and additional equity
5 contributions to satisfy whatever other needs were
6 required to finish.

7 Q. And in the late summer or fall or of
8 this year, did that whole financing scheme change?

9 A. Yes.

10 Q. And how did it change?

11 A. Well, in January, actually.

12 Q. Yeah. You put in motion things, but in
13 January, did it close? And what happened?

14 A. We paid the term loan off. There's a
15 little window in the credit agreement that allowed the
16 term loan to be paid with no premium. And that --
17 they took advantage of that. And the term loan was
18 paid off from -- by Tilman and affiliates of Tilman.
19 So that there would be no -- you know, the interest
20 savings were not small. Basically that was the
21 reason.

22 Q. So as we -- as we are here today,
23 there's a revolver outstanding; correct?

24 A. Right.

Q. And that allows you to draw at any given

Liem - direct - O'Gara

1 up time up to \$10 million?

2 A. That's correct.

3 Q. Is there any other debt that directly
4 encumbers Golden Nugget Atlantic City?

5 A. No.

6 Q. And with respect to the money and the
7 purchase price and what's been spent on it, whose
8 money is it?

9 A. That is Tilman Fertitta's money.

10 Q. Now, in addition to the Chart House that
11 was done before you bought it, you were here. Mr.
12 Fertitta had a lot of renderings that he had of what
13 he was going to do in terms of capital improvements of
14 Golden Nugget. Do you recall that, Mr. Liem?

15 A. Yes.

16 Q. Has that commenced?

17 A. Absolutely. It's -- in fact, it's
18 probably 80-some percent finished.

19 Q. Approximately how much money has been
20 spent renovating the Golden Nugget through today?

21 A. Oh, I think through today probably a
22 little over \$70-some-odd million. I would suppose.
23 And I would think by the time he's done, you know, I
24 would not be surprised if we were 150 million or so.

Q. And of the things -- let's just -- the

Liem - direct - O'Gara

1 things that have -- remain to be done. There are
2 hotel rooms that are being renovated. Do you know, is
3 that entirely complete?

4 A. It's not complete entirely.

5 Q. And how much -- do you know roughly how
6 much left to go?

7 A. Oh, you know, probably 20 percent of the
8 rooms maybe.

9 Q. And what's anticipated for that to be
10 complete?

11 A. I think end of April, early May, the
12 entire -- everything should be done.

13 Q. All right. And --

14 A. The pool is not completed yet. That
15 should be done.

16 Q. The pool is on an upper level above the
17 casino floor?

18 A. Correct.

19 Q. That was the hot tubs and the little
20 pictures and all that. That's not completed. Do you
21 anticipate when that will be done?

22 A. Again I think the end of April.

23 Q. All right. Let's talk about some of the
24 other things that Mr. Fertitta did talk about. What

25 about the exterior of the building.

Liem - direct - O'Gara

1 A. The signage is up. They have changed
2 the appearance of the building so the hospital is gone
3 and the casino is there.

4 (Laughter.)

5 A. And there's -- I think there's another
6 couple of things on the signage that need to be done.
7 The LED lighting is not turned on yet.

8 Q. And the porte cochere?

9 A. Porte cochere is finished.

10 Q. Going to run through a list of things
11 with you because he had a lot of pictures. Okay?

12 There's a retail area that includes
13 things like Essentials, Cool Jeans, Wine & Wi-Fi.
14 Where is that?

15 A. All completed.

16 Q. All right. There were renovations in
17 the casino floor that included a poker room and --

18 A. High-limit slot -- high-limit room is
19 open. The poker room is open. The Grotto restaurant
20 will open this week.

21 Q. All right. And where is Grotto
22 restaurant?

23 A. In the middle of the casino. Again, the
24 energy that flows back and forth from the restaurant

25 to the casino floors, it just -- it just works much

Liem - direct - O'Gara

1 better.

2 Q. And --

3 A. I have to -- everybody should go because
4 it's -- even though we have still have scaffolding up,
5 it's a very good-looking property.

6 Q. And they were there this morning. That
7 was supposed to open, like, in the next day or so;
8 right?

9 A. Right.

10 Q. The Chart House?

11 A. Open. Day one.

12 Q. Vic & Anthony's?

13 A. Open.

14 Q. Michael Patrick's Cafe?

15 A. Open.

16 Q. Live Bar?

17 A. Open.

18 Q. The Rush Lounge and Party Pit?

19 A. Also open.

20 Q. The buffet?

21 A. Open.

22 Q. All right. Now, we have the pool
23 lounge. You said that's in May.

24 A. Right. No. No. April, I think.

Q. And there's Red Sushi, which is another

Liem - direct - O'Gara

1 concept restaurant.

2 A. Right.

3 Q. Is that anticipated by May?

4 A. Again, I think April. The spa should be
5 done in the next couple of weeks.

6 Q. And the poker room?

7 A. Open.

8 Q. The Grand, which is the showroom?

9 A. Done.

10 Q. Do you anticipate getting this all done
11 and having some type of grand opening of the thing
12 sometime in the reasonable future?

13 A. Yes.

14 Q. Does that mean, hopefully, May?

15 A. Yes.

16 Q. Now, you've heard Mr. Fogarty allude to
17 the forecasts and the -- that you did and gave to all
18 the regulatory agencies. Do you view them as
19 conservative, middle of the road? What was your
20 philosophy?

21 A. We generally have a history of being
22 conservative in our forecasts.

23 Q. And since you've acquired the Golden
24 Nugget, has its performance improved somewhat since

25 you've improved the facility in terms of such as

Liem - direct - O'Gara

1 operating losses and where it sits now?

2 A. Yes. The revenues have declined
3 partially because our philosophy is to focus on
4 revenues that are profitable as opposed to revenues
5 that don't generate cash at the end of the day. I
6 think the performance has improved in accordance with
7 what we thought would happen. You know, the
8 construction is still fairly dramatic. There's
9 scaffolding in the lobby. Looks like you're walking
10 down one of the streets of New York City. You know,
11 there's pounding. This morning at 6:00, they were
12 pounding away on the wall outside of my room. So it's
13 not yet a finished product. And so I think there's
14 some disruption that goes along with the business
15 during that process. And we're looking forward to
16 being completely done with a brand-new property that
17 will be as good as anything in Atlantic City, you
18 know, prior to the season.

19 Q. And, Mr. Liem, you are aware that at the
20 same time you're fishing that in the very near future
21 Revel is going to open a brand-new facility in
22 Atlantic City.

23 A. That's correct. And I think, you know,
24 we're hopeful that Revel and the Golden Nugget will

25 draw additional traffic back to Atlantic City away

Liem - direct - O'Gara

1 from some of the outlying places because they'll be
2 new. They'll both be great properties, and, you know,
3 destination areas.

4 Q. Now, just some technical things. You're
5 aware that there's an independent audit committee
6 which has certain responsibilities?

7 A. Yes.

8 Q. And with respect to that, there's a
9 procedure for a tie-breaking vote, and you're aware
10 how that would work --

11 A. Yes.

12 Q. -- if there are ever a tie --

13 A. Right.

14 Q. -- on the audit committee?

15 And, likewise, you're aware there's a
16 compliance plan and the compliance committee?

17 A. Yes.

18 Q. And you are a member of that committee?

19 A. That is correct.

20 MR. O'GARA: I don't have any further
21 questions.

22 CHAIR KASSEKERT: Thank you.

23 Mr. Fogarty, cross?

24 MR. FOGARTY: Yes.

Liem - cross - Fogarty

1 CROSS-EXAMINATION BY MR. FOGARTY:

2 Q. Hello, Mr. Liem. Good to see you again.

3 A. Good morning. Thank you.

4 Q. I pumped you up pretty good when I said
5 your forecasts were reasonable, so I'm going to come
6 back to the Revel question. Reasonable, realistic.
7 Are they going to hut you?

8 A. Well, you know, no one really knows. I
9 think our assumption is that Revel will bring in new
10 people, new traffic. And, again, the Marina District,
11 in our mind, is the best area of Atlantic City to be
12 in. And so we expect to get our share or more than
13 our share of the customers that are coming to Atlantic
14 City because of Revel. We also expect to bring more
15 people in because we'll be done. And, again, if you
16 all have haven't been to the property, I would
17 encourage everybody to go because it is -- it is an
18 outstanding property. It is as good as anything that
19 you would get anywhere else. From the old and tired
20 and just sort of ignored property, it's truly
21 revitalized. I mean, the rooms are outstanding. The
22 casino floor. The Grotto restaurant that extends into
23 the casino, it's -- it's stunning. And the porte
24 cochere when you drive up, you get the sense of

25 grandeur or entrance. So I think that absolutely the

Liem - cross - Fogarty

1 Golden Nugget will get more than its share.

2 Q. When do you expect to turn a profit,
3 sir?

4 A. Well, I think from a cash-flow
5 perspective, I would certainly expect would be cash
6 flow positive in 2012. From a net-income perspective,
7 given depreciation and all that, we don't really focus
8 on the net income. If we can generate positive cash
9 flow, we're in good shape.

10 Q. That's the goal?

11 A. Correct.

12 Q. If things were to get tough, would you
13 expect Mr. Fertitta to again step up on the plate?

14 A. Unquestionably. I mean, he has already
15 invested a substantial amount of his personal capital
16 into the Golden Nugget here. He's a believer in
17 Atlantic City. He's a believer that it's a
18 substantial gaming market that is going to stabilize
19 and begin to grow again.

20 Q. And why didn't you bring your leader
21 with you today? Why didn't you require him to come?

22 A. (Laughing.)

23 Q. Doesn't seem the type, does he?

24 A. No. He would have loved to have been

25 here. Because he does have a much more entertaining

Liem - cross - Fogarty

1 interview than I do. Testimony.

2 Q. But he's otherwise engaged at the
3 University of Houston?

4 A. That's right. He's on the Board of
5 Regents. And they have --

6 Q. Houston's going to be in the Big East.
7 Not that this matters for the Golden Nugget. It just
8 occurred to me. Why somebody from Houston would be in
9 the Big East is a whole different question.

10 Farley Marina. Do you have any plans
11 over there?

12 A. We'll probably have a large boat here
13 this summer.

14 (Laughter.)

15 CHAIR KASSEKERT: A larger boat than
16 before.

17 Q. Would that be Tilman Fertitta's?

18 A. Might be.

19 Q. Anything else?

20 A. Well, again, I think that the marina, it
21 operates well. And at this point there's no plans to
22 do any significant investment there, but we will keep
23 it up, and we will make sure that all the people that
24 use the marina are satisfied.

Q. An asset to your company --

Liem - cross - Fogarty

1 A. Yeah.

2 Q. -- the marina?

3 A. Yeah.

4 Q. I think recently GNAC concluded a labor
5 agreement with Local 54?

6 A. Correct.

7 Q. Any other labor agreements out there?

8 And what would be --

9 A. I don't think there's anything
10 significant --

11 Q. With the trades?

12 A. Right.

13 Q. Local 54 is always a big one.

14 There's been a -- there's been news
15 in -- recently in the newspaper about your arrangement
16 with Chiligaming and internet gaming. Can you go over
17 that with us and --

18 A. Yes. I think it's prudent to recognize
19 the fact that there's a movement to legalize internet
20 gaming in the country, and there's pros and there's
21 cons, people on both sides. But it's not something
22 that you can do immediately. So our arrangement with
23 Chiligaming is to offer free poker, and we'll learn
24 some of the nuances of the internet process. And

25 should it become legalized, we'll be in a much better

Liem - cross - Fogarty

1 position to say we'll go that route, or we do not want
2 to go that route.

3 Q. So what is it? A joint venture with
4 Chiligaming?

5 A. I don't know that I would call a joint
6 venture. Its an arrangement where they're sort of the
7 operator.

8 Q. And is the Golden Nugget in Atlantic
9 City part of that arrangement?

10 A. I think the Golden Nugget is as a name.
11 And the Golden Nugget Atlantic City sort of part of
12 the Golden Nugget. So I don't know that they
13 necessarily signed it, but I think they would
14 certainly participate.

15 Q. Did the company do due diligence with
16 regard to Chiligaming?

17 A. Yes.

18 Q. Was that done in-house, out-house?

19 A. Yes.

20 Q. Out of house?

21 A. In-house.

22 Q. And when do you anticipate that the
23 website would be operational?

24 A. You know, I can't tell you.

25

Q. Soon? Later?

Liem - cross - Fogarty

1 A. I think sometime -- in a reasonable
2 period of time. Some --

3 Q. Before the end of the year?

4 A. Yes. I think so. Yeah.

5 Q. Thank you, sir.

6 MR. FOGARTY: That's all I have.

7 CHAIR KASSEKERT: Thank you, Mr.

8 Fogarty.

9 Let me ask about some of the events you
10 have planned for the future, things that you
11 are scheduling to attract people to the
12 property.

13 THE WITNESS: Well, one of the things we
14 did this year that was pretty successful was
15 the Bubba Gump Shrimp fest on the Deck. And
16 certainly, you know, when the property is
17 finished, we'll have the grand opening.

18 CHAIR KASSEKERT: Uh-huh.

19 THE WITNESS: I think that the --
20 Landry's as an entity has a loyalty program,
21 the Landry's Select Club, that is going to be
22 another component of how do we drive business
23 from our local restaurants around the country
24 into Atlantic City. So we -- we're --

Liem

1 McCormick & Schmick. We have a substantial
2 presence in the Northeast.

3 CHAIR KASSEKERT: Uh-huh.

4 THE WITNESS: So 14 in New Jersey, and
5 in the Washington DC area, we have 17
6 restaurants now. So, again, that is a cross-
7 marketing opportunity to move people to the
8 Atlantic City area because it's going to be
9 very convenient for them.

10 And then, you know, again, I think from
11 a welcome perspective, we will market the
12 property as what it is; right? I think there's
13 also some excellent opportunities in the Golden
14 Nugget in Las Vegas. We have already traded
15 some group business, if you will, that has been
16 Nevada-based is now going to shift out and come
17 to Atlantic City.

18 CHAIR KASSEKERT: Okay. And as a
19 follow-up to Mr. Fogarty's question about labor
20 agreements, do you think that the staff you
21 have at Golden Nugget is satisfactory? Do you
22 have enough people? Are you looking -- you
23 know, or we're in the winter right now. Not a
24 real winter, but we are in winter. And are you

looking for any downsizing? Or do you have

Liem

1 sufficient staff?

2 THE WITNESS: No. No. I think the
3 staffing today is where it should be. And what
4 we would really be looking for is a very good
5 summer.

6 CHAIR KASSEKERT: Uh-huh.

7 THE WITNESS: And to add to that group.
8 And, then again, when the renovations are
9 completed and the business overall is
10 performing stronger than it has been, then you
11 would have a permanent increase in the staffing
12 levels.

13 CHAIR KASSEKERT: Uh-huh. And at this
14 point, are you looking at any other expansion?
15 Another hotel tower?

16 THE WITNESS: Tilman is always looking
17 at opportunities. And, again, one of the
18 things that attracted him to the Golden Nugget
19 in Atlantic City is its a very large property.

20 CHAIR KASSEKERT: Yeah.

21 THE WITNESS: And the business today
22 isn't really, you know, consuming all of the
23 capacity of that building. So I think that
24 clearly he has some ideas of what he would do

as the business grows. I think there will be a

Liem

1 constant investment in that property.

2 CHAIR KASSEKERT: Great. I know we have
3 not been over there in quite some time. So I
4 think we probably should go back and take a
5 return visit and see the changes that we saw
6 started when we were there a few months ago.

7 THE WITNESS: I think that would be
8 great. And then two months from now, again, it
9 will complete.

10 CHAIR KASSEKERT: Right.

11 THE WITNESS: The scaffolding will be
12 gone, and then you can see it in its final
13 form. But it is -- it is dramatically better
14 than it was nine months ago.

15 CHAIR KASSEKERT: Ask if any of the
16 other commissioners have questions?

17 Commissioner Harrington?

18 VICE CHAIR HARRINGTON: No. I just -- I
19 do want to say that we were there a couple of
20 months ago, and it was a remarkable
21 transformation and very encouraging.

22 And I just want to say that I do
23 remember you appearing before us last year.

24 (Laughter.)

VICE CHAIR HARRINGTON: You know, but,

Liem

1 no.

2 Our financial analysts also have
3 reviewed your circumstances, and we're very
4 encouraged and excited by the -- you know, by
5 your forecasting and your confidence and what
6 that brings to this city and just the exciting
7 time that we are anticipating here. So we're
8 happy that you've joined us here in Atlantic
9 City, and we appreciate the commitment that you
10 and Landry's and Mr. Fertitta have made. So
11 thank you.

12 CHAIR KASSEKERT: Commissioner Fanelle?

13 COMMISSIONER FANELLE: I think it's
14 interesting that your organization has your
15 foot squarely on the gas moving forward even to
16 the point of internet gaming, trying to, you
17 know, get a jump start on what the criteria is.
18 And that's admirable from a lot of different
19 perspectives.

20 And from a personal perspective, being a
21 boater, it's nice to see that you are investing
22 into that property that was neglected for such
23 a time. And I think the opportunities are
24 endless in that whole footprint. So good luck

in your endeavors.

Liem - redirect - O'Gara

1 THE WITNESS: I appreciate that. Tilman
2 has a very good eye and really good -- just an
3 excellent ability to see something and say,
4 this is what I can create. And it's turning
5 out, I think, even better than he might have
6 thought it was going to turn out. So we're
7 very excited about the season coming up.

8 CHAIR KASSEKERT: Thank you.

9 MR. O'GARA: Just, if I could, one more
10 thing.

11 CHAIR KASSEKERT: Yeah. Sure.

12

13 REDIRECT EXAMINATION BY MR. O'GARA:

14 Q. Just to clarify, Mr. Liem, the agreement
15 with Chili is signed by GNLV, which is a separate
16 company from GNAC?

17 A. Correct.

18 Q. Correct? But it's

19 A. It's still the Golden Nugget brand.

20 Q. Yeah. Golden Nugget Las Vegas.

21 And the other thing, with respect to
22 Golden Nugget Las Vegas, as there was increased
23 demand, did Mr. Fertitta build more rooms?

24 A. Yeah. We added a tower in the midst of

25 2007, 2008. Another -- another 500 rooms.

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1 MR. O'GARA: Okay. Thank you.

2 CHAIR KASSEKERT: Thank you.

3 Anything further on recross, Mr.

4 Fogarty?

5 MR. FOGARTY: None. Nothing. Thank
6 you.

7 CHAIR KASSEKERT: Thank you. You may
8 step down. Thank you.

9 THE WITNESS: Thank you.

10 CHAIR KASSEKERT: Any other witnesses,
11 Mr. O'Gara?

12 MR. O'GARA: No. No, ma'am. No, ma'am.
13 Thank you.

14 CHAIR KASSEKERT: Thank you.

15 Are there any other matters that need to
16 be brought to our attention at this time?

17 MR. FOGARTY: Not from the Division.

18 CHAIR KASSEKERT: Okay.

19 MR. O'GARA: No, ma'am. Not from the
20 Applicant.

21 CHAIR KASSEKERT: If not, we'll take a
22 short recess.

23 MR. O'GARA: Thank you.

24 CHAIR KASSEKERT: Thank you.

(A recess was taken from 11:44 a.m. to

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1 12:00 p.m.)

2 CHAIR KASSEKERT: Thank you. We'll go
3 back on the record.

4 More than 30 years ago, then Governor
5 Brendan Byrne warned the then fledgling casino
6 industry, which had floated a number of plans
7 to refurbish old hotels to qualify quickly for
8 a casino license, that he did didn't to see
9 patch-and-paint jobs. He wanted to see
10 something new. When Landry's came to Atlantic
11 City and struck a deal to buy the former Trump
12 Marina, we also were not interested in seeing a
13 patch-and-paint job. The casino hotel was
14 clearly showing its age, was increasingly
15 unable to compete against the other properties
16 here as well as gaming halls in other states.

17 In May of last year when the Golden
18 Nugget Atlantic City came before us seeking
19 Interim Casino Authorization pursuant to NJSA
20 5:12-95.12, et seq., CEO Tilman Fertitta
21 promised us that we wouldn't recognize the
22 place when he was done. He told us of plans
23 for a more than \$84 million in renovation to
24 redo all the hotel rooms, modernize the entire

casino, and introduce several new restaurants.

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1 He showed us renderings of redesigned showroom,
2 a state-of-the art spa, pool deck with hot tubs
3 and fire pits that would heat the area and
4 extend the season for those outdoor amenities.

5 Based to those promises, this Commission
6 granted Golden Nugget Atlantic City Interim
7 Casino Authorization for a period of nine
8 months.

9 As we look today, much of that is coming
10 true. Mr. Fertitta promised a lot more than
11 just a patch-and-paint job, and he has
12 delivered. One of the new restaurants, the
13 Chart House, was ready to open last May. And
14 another, Vic & Anthony's Steakhouse, has opened
15 since then. Two more are on the way and could
16 open this month, April. And there's a new
17 poker room area and a high-limit lounge, a
18 party pit in the redone casino. Most of the
19 rooms have been renovated. The new spa opens
20 this month, and the fire pits should be ready
21 by May. So far, Mr. Fertitta has promised --
22 proven to be a man of his word, one who
23 obviously meets our requirements, good
24 character, honesty, and integrity. He has

reached into his own pockets to pump tens of

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1 millions of dollars into this property and, in
2 doing so, has demonstrated an impressive
3 commitment to the property, to its employees,
4 and to Atlantic City.

5 In this proceeding today, it is the
6 Applicants' burden to demonstrate to the
7 Commission by clear and convincing evidence
8 that they meet each of the standards for
9 licensure and qualification enumerated in the
10 Casino Control Act.

11 The Division of Gaming Enforcement has
12 reported on the Golden Nugget and its
13 qualifying entities and individuals. Based
14 upon those reports and the entire record of
15 those proceedings, and based on that, and
16 including today's testimony, I am satisfied
17 that the GNAC has met its burden of
18 establishing qualification for casino
19 licensure.

20 I would therefore move that we adopt the
21 draft resolution and issue a casino license to
22 Golden Nugget Atlantic City based on the
23 findings and rulings and subject to the
24 conditions specified therein, and so I so move.

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1 VICE CHAIR HARRINGTON: Second.

2 CHAIR KASSEKERT: Motion has been made
3 and seconded. This is a role call vote.

4 MR. NANCE: Commissioner Fanelle?

5 COMMISSIONER FANELLE: Yes.

6 MR. NANCE: Vice Chair Harrington?

7 VICE CHAIR HARRINGTON: Yes.

8 MR. NANCE: Chair Kassekert?

9 CHAIR KASSEKERT: Yes.

10 MR. NANCE: The record will reflect that
11 the motion is unanimous.

12 CHAIR KASSEKERT: Congratulations.

13 MR. O'GARA: Thank you.

14 Chair, if I could just take a moment.

15 On behalf of Tilman Fertitta and Rick and
16 everybody at the Golden Nugget, we thank you.
17 We thank your staff. We thank Jim and the
18 people he did -- all the people that did the
19 account investigation, the financial people
20 particularly. And unlike a lot of other people
21 who buy casinos, Don Errea and all of the
22 people in the operations -- this building has
23 literally been torn apart while it's been
24 operating, and I think we're on P-6 -- or

whatever -- for what's going on. But there are

1 people over there every day signing off on
2 things so that this stuff can open, and we
3 appreciate that the State of New Jersey was so
4 welcoming to Landry's.

5 CHAIR KASSEKERT: Thank you. We're glad
6 to have you.

7 MR. O'GARA: Thank you.

8 MR. NANCE: In accordance with
9 Resolution No. 11-12-14-03, the next closed
10 session of the Commission shall be held on
11 Wednesday, March 14th, 2012, at 9:30 a.m. in
12 the Commission offices.

13 It is now time for the public
14 participation portion of the meeting.

15 CHAIR KASSEKERT: Is there anyone from
16 the public that wishes to be heard?

17 (No response.)

18 CHAIR KASSEKERT: Seeing no one, I'll
19 declare the portion of the meeting closed and
20 entertain a motion to adjourn.

21 VICE CHAIR HARRINGTON: Second.

22 CHAIR KASSEKERT: All those in favor?

23 (Ayes.)

24 CHAIR KASSEKERT: Opposed?

25 (No response.)

1 CHAIR KASSEKERT: The motion carries.

2 I make a motion.

3 (Public Meeting 12-02-15 was adjourned

4 at 12:05 p.m.)

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DARLENE SILLITOE, CCR

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License No 30XI0102300

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Dated: February 19, 2012
My Notary Commission Expires
July 22, 2014
ID No 2062871

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